

ORDINANCE NO. BL2019-1485

An ordinance approving a form Master Participation Agreement to be used by the Metropolitan Government, by and through the Department of Water and Sewerage Services, to enter into agreements with developers for the recuperation of costs associated with the Southeast Development Area, and authorizing certain Metropolitan Government officials to execute the agreement, in the form of the attached, on behalf of the Metropolitan Government.

WHEREAS, the Metropolitan Government, through the Department of Water and Sewerage Services (“Metro”), recognizes through requests for service availability that there is a tremendous amount of growth planned by private development in the southeast portion, see Exhibit A, attached and incorporated herein, of the Metro Water Services’ water service area (“Southeast Development Area”), which was not anticipated to occur at its current rate of time; and,

WHEREAS, Metro has currently identified 5 phases of water capital capacity improvements projects (“Southeast Development Improvements”), see Exhibit B, attached and incorporated herein, totaling approximately \$22.9 million needed to support the growth from both a domestic and fire protection demand in the Southeast Development Area; and,

WHEREAS, the Southeast Development Improvements are estimated to cost \$22.9 million and will provide capacity for an additional 8.0 million gallons per day (average daily flow – ADF) or an equivalent 22,857 units of flow (a unit of flow being 350 gallons per day - ADF); and,

WHEREAS, developers have expressed a desire to construct on an unimproved parcel or add and/or modify use on a currently improved parcel in the Southeast Development Area, and wish to participate with Metro by contributing to the Southeast Development Improvements; and,

WHEREAS, MWS has established a Development Area Participation Agreement Recovery Charge (“DAPARC”) for the Southeast Development Area. Funds generated through this charge will be used exclusively by MWS for the recuperation of MWS’ expenditures for constructing the water infrastructure improvements in this water service area; and,

WHEREAS, the developer’s pro-rated share of the cost of the Southeast Development Improvements per unit of flow added, as is needed, for the Southeast Development Area, is \$22.9 million / 22,857 units or \$1,000 per unit of flow, the DAPARC, which is in addition to other applicable fees; and,

WHEREAS, as \$22.9 million is an estimate of the costs associated with the Southeast Development Improvements, if the cost exceeds the estimated figure, Metro will continue to collect the DAPARC until Metro’s financial obligation related to this project is met; and,

WHEREAS, it is deemed beneficial to Metro, future developers of the Southeast Development Area, and the citizens of Nashville and Davidson County to allow for Southeast Development

Improvements, with contribution from developers' of their pro-rated share of improvements per unit of flow.

NOW, THEREFORE, BE IT ENACTED BY THE COUNCIL OF THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY:

Section 1. That the form Master Participation Agreement, attached hereto as Exhibit 1, to be used by the Metropolitan Government, by and through the Department of Water and Sewerage Services, to enter into agreements with developers for the recuperation of costs associated with the Southeast Development Area, is hereby approved.

Section 2. The Director of Water and Sewerage Services, or his designee, is hereby authorized to enter into and execute such Participation Agreements, in the form of the attached Exhibit 1, on behalf of the Metropolitan Government, after they have been signed and executed by the developers.

Section 3. The funds collected pursuant to the Participation Agreements shall be deposited into the 47335 fund, and monies shall be allocated exclusively for the Southeast Development Improvements.

Section 4. Amendments to this legislation shall be approved by resolution.

Section 5. This ordinance shall take effect from and after its final passage, the welfare of The Metropolitan Government of Nashville and Davidson County requiring it.

RECOMMENDED BY:

Scott A. Potter, Director
Water and Sewerage Services

INTRODUCED BY:

Council Member(s)

APPROVED AS TO THE
AVAILABILITY OF FUNDS:

Talia Lomax-O'dneal, Director
Department of Finance

APPROVED AS TO FORM
AND LEGALITY:

Assistant Metropolitan Attorney